

THRIFT SAVINGS PLAN OPEN SEASON

The Thrift Savings Plan is having another Open Season from May 15 through July 31, 2001. All FERS, CSRS and CSRS Offset employees who were hired before July 1, 2001 have an opportunity to change their current election, or make an initial participation election.

The features of the Plan and directions on how to make a Plan election or to change your current withholding are described in the Thrift Savings Plan (TSP) Open Season leaflet that will be distributed to eligible employees by their IC Personnel Office. The revised "Summary of the Thrift Savings Plan for Federal Employees" booklet, which provides more detailed information than that provided in the leaflet, will also be distributed by IC Personnel Offices. Another booklet, "Guide to TSP Investments," for the serious investor, is available in your personnel office.

ELIGIBLE EMPLOYEES

The following employees are eligible to contribute to the TSP:

- * FERS employees hired before July 1, 2001, with continuous service since that time; and
- * CSRS and CSRS Offset employees hired or rehired before July 1, 2001.

(CSRS Offset employees are those employees who were rehired after January 1, 1984, after more than one year break in service, at the time of their separation from Federal service.)

Excluded from this TSP Open Season are FERS employees hired after June 30, 2001, and most temporary employees with appointments limited to one year or less. (New FERS employees hired after June 30, 2001 and rehires after that date will have 60 days from the date of hire or rehire to elect to contribute to the TSP).

NOTE: Agency Automatic (1%) and Matching Contributions for FERS employees will not begin until the second open season after hire, i.e., FERS employees hired between January 1 and June 30, 2001 will begin receiving agency contributions starting the first pay period in January 2002).

SIGNING UP

If you wish to join, change or terminate your enrollment in the TSP, you should complete the Thrift Savings Plan Election Form (TSP-1), which you can get from the TSP Web Site (www.tsp.gov) or your IC Personnel Office. You may choose instead to use **EMPLOYEE EXPRESS**. **FERS employees may elect up to 11% of basic pay and CSRS and CSRS Offset employees may elect up to 6% of basic pay.** If you wish to change the percentage or dollar amount of your current contributions, you need to indicate the total percentage or dollar amount, not the amount by which you want to increase your contribution. If you do not wish to join, change, or terminate your enrollment, you do not need to complete a form.

SUBMITTING YOUR TSP ELECTION FORM

You should submit your completed Election Form to your IC Personnel Office. In order for your election to be effective on the earliest date possible, July 1, 2001, it must be submitted to your Personnel Office no later than COB June 29, 2001. If you submit an Election Form after that date, but during the Open Season, your contributions will begin in a subsequent pay period. **You may make only one election during open season, unless you later choose to terminate your enrollment.**

EMPLOYEE EXPRESS

You may use **EMPLOYEE EXPRESS (EE)** to make your open season election instead of using the TSP-1. You may either use one of the several kiosks located around campus, a touch-tone telephone, or access the web at **<http://www.employeeexpress.gov>**. If you have lost your PIN or cannot remember it, you may contact the **EMPLOYEE EXPRESS HELP DESK** at (912) 757-3030. The numbers to call to access **EE** are (912) 757-3088, Toll Free 1-800-573-

0940, or TDD (912) 757-3117. Further help may be obtained by calling the Customer Support Group at (301) 496-4556.

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ALLOCATION ELECTIONS

The law permits all participants to elect to put their contributions into any of the 5 TSP Funds. As of May 1, 2001 these Funds are: Government Securities Investment (G) Fund, Fixed Income (Bond) Index Investment (F) Fund, Common Stock Index Investment (C) Fund, Small Capitalization Stock Index Investment (S) Fund, and International Stock Index Investment (I) Fund. CSRS and CSRS Offset employees may choose to allocate their contributions among these Funds. FERS employees may choose the same type of allocation and their 1% Automatic and Agency Matching Contributions will also be allocated based on this election. FERS employees who do not wish to contribute may still elect to allocate their 1% Automatic Contributions.

To allocate your contributions you must obtain Form TSP-50, Investment Allocation, from your personnel office. You must send the completed form to the TSP Service Office (the address is on the form), **NOT** to your personnel office. You may instead choose to use the more efficient electronic media (i.e., the TSP Web site at www.tsp.gov or the ThriftLine at 504-255-8777), for which you will need your TSP PIN.

INTERFUND TRANSFERS

Employees may make up to 12 Interfund Transfer elections each calendar year (no more than 1 per month). This allows participants to reallocate their past contributions, 1% Automatic and Agency Matching Contributions, and earnings on their accounts among the five funds. **The Form TSP-50 or electronic media is used for this purpose, also.**

ANNUAL LIMITATION

Effective July 1, 2001 FERS employees may contribute up to 11% of their basic pay each pay period. However, under IRS rules, the maximum contribution that can be made in tax year 2001 is \$10,500. Those FERS employees whose annual salary exceeds \$105,000 should contact their IC Personnel Office for assistance in determining if they need to adjust their TSP contributions in order to maximize their Agency Matching Contributions. If the maximum is reached before the end of the year, the Agency

Matching Contributions will stop and only the 1% Automatic will continue. (See page 39 of the "Summary" booklet for more information about the tax limit.)

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PARTICIPANT STATEMENTS

In May and November, at the start of each Plan open season, the Thrift Investment Board will mail all FERS employees and participating CSRS employees Participant Statements with current information on the balance they have in the Plan and a summary of the activity in their accounts during the previous six-month period. In addition, current participants will receive "Highlights" pamphlets giving them information as to the overall performance of the Plan to date and recent changes made to the Plan.

If you are currently participating and you do not receive a Participant Statement before early June, contact your IC Personnel Office to assure that your mailing address is correct. If your address is incorrect, provide that office with the correct information and request that they order a duplicate statement.